TRAVELERSJ

One Tower Square, Hartford, Connecticut 06183

TRAVELERS CORP. TEL: 1-800-328-2189
COMMERCIAL INLAND MARINE
COMMON POLICY DECLARATIONS
ISSUE DATE: 07/06/15

POLICY NUMBER: QT-660-4860N195-TIL-15

INSURING COMPANY:

TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

 NAMED INSURED AND MAILING ADDRESS: BEN F. BLANTON CONSTRUCTION, INC.
 550 TURNER BLVD.
 SAINT PETERS, MO 63376



2. POLICY PERIOD: From 06/25/15 to 09/30/16 12:01 A.M. Standard Time at your mailing address.

3. LOCATIONS

Premises Bldg. Loc. No. No. Occupancy

Address

SEE IL TO 03

4. COVERAGE PARTS FORMING PART OF THIS POLICY AND INSURING COMPANIES:
COMMERCIAL INLAND MARINE COV PART DECLARATIONS CM TO 01 07 86 TIL

5. NUMBERS OF FORMS AND ENDORSEMENTS
FORMING A PART OF THIS POLICY: SEE IL T8 01 10 93

6. SUPPLEMENTAL POLICIES: Each of the following is a separate policy containing its complete provisions:
Policy Policy No. Insuring Company

7. PREMIUM SUMMARY:

Provisional Premium \$ 92,027 Due at Inception \$ 92,027 Due at Each \$

NAME AND ADDRESS OF AGENT OR BROKER: USI MIDWEST INC (F9455) PO BOX 66753 ST LOUIS, MO 631666753

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LUL	JINIER	SIGNE	UDI.

Authorized Representative

DATE:

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TRAVELERS J

POLICY NUMBER: QT-660-4860N195-TIL-15

EFFECTIVE DATE: 06-25-15

ISSUE DATE: 07-06-15

LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

THIS LISTING SHOWS THE NUMBER OF FORMS, SCHEDULES AND ENDORSEMENTS BY LINE OF BUSINESS.

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IL FO 61 09 07	MO CHANGES - DEFINTION OF POLLUTANTS
IL 02 74 02 13	MISSOURI CHGS-CANCELLATION & NONRENEWAL
II T3 55 05 13	EXCLUSION OF CERTAIN COMPUTER LOSSES

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COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions:

A. Cancellation

- The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- We may cancel this policy or any Coverage Part by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - 30 days before the effective date of cancellation if we cancel for any other reason
- We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
- 4. Notice of cancellation will state the effective date of cancellation. If the policy is cancelled, that date will become the end of the policy period. If a Coverage Part is cancelled, that date will become the end of the policy period as respects that Coverage Part only.
- 5. If this policy or any Coverage Part is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us as part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time

during the policy period and up to three years afterward.

D. Inspections And Surveys

- 1. We have the right to:
 - Make inspections and surveys at any time:
 - b. Give you reports on the conditions we find: and
 - c. Recommend changes.
- 2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
- Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
- 4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

- The first Named Insured shown in the Declarations:
 - a. Is responsible for the payment of all premiums; and
 - Will be the payee for any return premiums we pay.
- We compute all premiums for this policy in accordance with our rules, rates, rating plans, premiums and minimum premiums. The premium shown in the Declarations was computed based on rates and rules in effect at

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the time the policy was issued. On each renewal continuation or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

G. Equipment Breakdown Equivalent to Boiler and Machinery

On the Common Policy Declarations, the term Equipment Breakdown is understood to mean and include Boiler and Machinery and the term Boiler and Machinery is understood to mean and include Equipment Breakdown.

This policy consists of the Common Policy Declarations and the Coverage Parts and endorsements listed in that declarations form.

In return for payment of the premium, we agree with the Named Insured to provide the insurance afforded by a Coverage Part forming part of this policy. That insurance will be provided by the company indicated as insuring company in the Common Policy Declarations by the abbreviation of its name opposite that Coverage Part.

One of the companies listed below (each a stock company) has executed this policy, and this policy is countersigned by the officers listed below:

The Travelers Indemnity Company (IND)

The Phoenix Insurance Company (PHX)

The Charter Oak Fire Insurance Company (COF)

Travelers Property Casualty Company of America (TIL)

The Travelers Indemnity Company of Connecticut (TCT)

The Travelers Indemnity Company of America (TIA)

Travelers Casualty Insurance Company of America (ACJ)

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LOCATION SCHEDULE

POLICY NUMBER: QT-660-4860N195-TIL-15

This Schedule of Locations and Buildings applies to the Common Policy Declarations for the period 06-25-15 to 09-30-16.

1 10545 OLD OLIVE ROAD CREVE COEUR, MO 63141 SEE THE BUILDERS' RISK DECLARATIONS

IL T0 03 04 96

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COMMERCIAL INLAND MARINE



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TRAVELERS J

One Tower Square, Hartford, Connecticut 06183

COMMERCIAL INLAND MARINE COVERAGE PART DECLARATIONS

POLICY NUMBER: QT-660-4860N195-TIL-15 ISSUE DATE: 07-06-15

INSURING COMPANY:

TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

DECLARATIONS PERIOD: From 06-25-15 to 09-30-16 12:01A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Commercial Inland Marine Coverage Part consists of these Declarations, the Commercial Inland Marine Conditions Form and the Coverage Forms shown below.

CONSTRUCTION PAK - BUILDERS' RISK COVERAGE FORM

PROJECT 1 DECLARATIONS

- I. COVERAGE AND LIMITS OF INSURANCE
 - A. Covered Property and Job Site Limits of Insurance:
 - 1. Description:

NEW CONSTRUCTION OF 7 APARTMENT BUILDINGS. BUILDING 1 IS 4 STORIES WITH APPROX 161,524 SF. BUILDING 2 IS 4 STORIES WITH APPROX 52,539 SQ FEET. BUILDINGS 3-7 ARE 2 STORIES WITH 3534 SQ FEET AND GARAGE ON BOTTOM OF APARTMENT.

Estimated Total Project Value: \$

24,461,157

2. Job Site Location:

10545 OLD OLIVE ROAD CREVE COEUR, MO 63141

3. The following Limits of Insurance are the most we will pay at the job site shown above unless a more specific Limit of Insurance is shown in 4. below or elsewhere in this policy:

Covered Property Limit of Insurance:

24,461,157

Special Time Element Limit of Insurance: SEE SPECIAL TIME ELEMENT DEC

\$

4. The following coverage options apply only when indicated by an 'X':

		Occur Limit	rence	Annua Limit	I Aggregate
☐ Earth Movement	▼ Earthquake	\$	24,461,157	\$	24,461,157
X Flood		\$	24,461,157	\$	24,461,157

The Limits of Insurance shown above apply to all loss covered under the endorsement for the applicable coverage option.

II. DEDUCTIBLE

- A. Deductible applying to Covered Property shown above unless a more specific Deductible for the covered loss is shown in B. below or elsewhere in this policy: \$ 5,000
- B. The Deductible shown below applies to all loss covered under the endorsement for the coverage option indicated by an 'X':

☐ Earth Movement

X Earthquake:

X 1. \$

50.000

□ 2.

subject to

minimum and

maximum

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	X Flood:			
	X 1 \$	50,000		
	2 .	SI	ubject to	minimum and
	maximum			
III.	COINSURANCE			
	The following coinsurance appli	es when ir	ndicated by an 'X':	
	□ 100% □ 90% □	80%	🗵 No Coinsurar	ice Applies
IV.	REPORTS AND PREMIUM			
	The Premium Option shown bet	ow applie:	s when indicated by	an 'X':
	X Project Term Premium:	\$	86,710	
	☐ Adjustable Premium	(see I	Premium Adjustmer	nt in Coverage Form)
	Annual Rate per \$100 of	Total Pro	ject Value:	
	Estimated Project Term	Premium:	\$	

NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING PART OF THIS COVERAGE PART ARE ATTACHED AS A SEPARATE LISTING.

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TRAVELERS J

One Tower Square, Hartford, Connecticut 06183

CONSTRUCTION PAK – BUILDERS' RISK SPECIAL TIME ELEMENT SINGLE LIMIT DECLARATIONS POLICY NUMBER: QT-660-4860N195-TIL-15

ISSUE DATE: 07-06-15

The following are added to the CONSTRUCTION PAK – BUILDERS' RISK COVERAGE FORM Section of the Commercial Inland Marine Coverage Part Declarations.

CONSTRUCTION PAK - BUILDERS' RISK SPECIAL TIME ELEMENT COVERAGE FORM

PROJECT 1 DECLARATIONS

I. COVERAGE AND LIMITS OF INSURANCE

The most we will pay at the applicable job site described in the Declarations in any one occurrence for the total of the following Special Time Element Coverages indicated by an 'X' is: \$ 1,500,000

- X Business Income
- X Rental Value
- X Soft Costs consisting only of:
 - X Advertising and promotional expenses.
 - X Architect, engineer, designer and consultant fees.
 - X Costs resulting from the renegotiation of your sales contract, leases or construction loans.
 - General overhead and administrative expenses, other than legal, accounting and professional fees.
 - Insurance premiums.
 - Interest on money borrowed to finance construction.
 - Legal and accounting fees and other costs to renegotiate and prepare revised contracts and other documents.

These expenses cannot be used for preparation of claims or to establish liability for loss.

- X Permit and Inspection Fees.
- Realty taxes and realty assessments.
- Other as described in the Soft Costs Schedule.

II. WAITING PERIOD

Waiting Period:

21

Consecutive Days

III. PREMIUM

A. Total Term Premium: \$

5,317

B. Premium shown above is in addition to the premium shown on the CONSTRUCTION PAK – BUILDERS' RISK COVERAGE FORM DECLARATIONS for this project.

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TRAVELERS

One Tower Square, Hartford, Connecticut 06183

CONSTRUCTION PAK - BUILDERS' RISK SUPPLEMENTAL DECLARATIONS

POLICY NUMBER: QT-660-4860N195-TIL-15 ISSUE DATE: 07-06-15

I. COVERAGE AND LIMITS OF INSURANCE

A. Limit of Insurance Applying To Covered Property In:

Transit: \$ 1,000,000 Temporary Storage: \$ 1,000,000

В.	Coverage Extensions	Limit of Insurance	
	Expediting Expense and Extra Expense:	\$	100,000
	Fire Protective Systems:	\$	100,000
	Landscaping:	\$	50,000
	Soft Costs:	\$	100,000
	Temporary Works Other Than Covered Property:	\$	50,000
	Valuable Papers and Records:	\$	100,000
C.	Additional Coverages		
	Additional Cost of Construction Materials and Labor:	\$	100,000
	Claim Data Expenses:	\$	50,000
	Construction Contract Penalty:	\$	50,000
	Debris Removal Increase:	\$	250,000
	Fire or Police Department Service Charges:	\$	50,000
	Fungus, Wet Rot And Dry Rot – Annual Aggregate:	\$	50,000
	Green Building Additional Expense:	\$	100,000
	Ordinance or Law:		
	Loss To The Undamaged Portion Of The Building or Structure:		IN APPLICABLE THE JOB SITE
	Demolition Cost and Increased Cost Of Construction – Combined:	\$	250,000
	Pollutant Clean Up and Removal – Annual Aggregate:	\$	100,000
	Preservation of Property:		IN APPLICABLE THE JOB SITE
	Protection of Property:	\$	100,000
	Reward Coverage:		
	25% of covered loss up to a maximum of:	\$	50,000

II. PREMIUM

A. Minimum Earned Premium: \$ 10,000B. Total Builders' Risk Premium: \$ 92,027

NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING PART OF THIS COVERAGE PART ARE ATTACHED AS A SEPARATE LISTING.

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F9455 OFFICE ST LOUIS

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COMMERCIAL INLAND MARINE COVERAGE PART

The following indicates the contents of the principal forms which may be attached to your policy.

It contains no reference to the Declarations or Endorsements which also may be attached.

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COMMERCIAL INLAND MARINE

COMMERCIAL INLAND MARINE CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

LOSS CONDITIONS

A. Abandonment

There can be no abandonment of any property to us.

B. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- 1. Pay its chosen appraiser; and
- Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

C. Duties In The Event Of Loss

You must see that the following are done in the event of loss or damage to Covered Property:

- Notify the police if a law may have been broken
- Give us prompt notice of the loss or damage. Include a description of the property involved.
- As soon as possible, give us a description of how, when and where the loss or damage occurred.
- 4. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible,

- set the damaged property aside and in the best possible order for examination.
- You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.
- As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.
 - Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
- 7. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
- 8. Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
- Cooperate with us in the investigation or settlement of the claim.

D. Insurance Under Two Or More Coverages

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

E. Loss Payment

- 1. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- 2. We will not pay you more than your financial interest in the Covered Property.
- We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than

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COMMERCIAL INLAND MARINE

their financial interest in the Covered Property.

- We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- 5. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
 - We have reached agreement with you on the amount of the loss; or
 - b. An appraisal award has been made.
- We will not be liable for any part of a loss that has been paid or made good by others.

F. Other Insurance

- You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
- 2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

G. Pair, Sets Or Parts

1. Pair Or Set

In case of loss or damage to any part of a pair or set we may:

- Repair or replace any part to restore the pair or set to its value before the loss or damage; or
- b. Pay the difference between the value of the pair or set before and after the loss or damage.

2. Parts

In case of loss or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

H. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

I. Reinstatement Of Limit After Loss

The Limit of Insurance will not be reduced by the payment of any claim, except for total loss or damage of a scheduled item, in which event we will refund the unearned premium on that item.

J. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

- 1. Prior to a loss to your Covered Property.
- After a loss to your Covered Property only if, at time of loss, that party is one of the following:
 - a. Someone insured by this insurance; or
 - b. A business firm:
 - (1) Owned or controlled by you; or
 - (2) That owns or controls you.

This will not restrict your insurance.

GENERAL CONDITIONS

A. Concealment, Misrepresentation Or Fraud

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

- This Coverage Part;
- 2. The Covered Property;
- 3. Your interest in the Covered Property; or
- 4. A claim under this Coverage Part.

B. Control Of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

C. Legal Action Against Us

No one may bring a legal action against us under this Coverage Part unless:

- 1. There has been full compliance with all the terms of this Coverage Part; and
- The action is brought within 2 years after you first have knowledge of the direct loss or damage.

D. No Benefit To Bailee

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

E. Policy Period, Coverage Territory

We cover loss or damage commencing:

- During the policy period shown in the Declarations; and
- 2. Within the coverage territory.

F. Valuation

The value of property will be the least of the following amounts:

- 1. The actual cash value of that property;
- The cost of reasonably restoring that property to its condition immediately before loss or damage; or
- The cost of replacing that property with substantially identical property.

In the event of loss or damage, the value of property will be determined as of the time of loss or damage.



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CONSTRUCTION PAK – BUILDERS' RISK COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section F – DEFINITIONS.

A. COVERAGE

We will pay for direct physical loss of or damage to Covered Property caused by or resulting from a Covered Cause of Loss.

1. Covered Property

Covered Property, as used in this Coverage Form, means the following types of property you own or for which you are legally liable, the value of which is included in the estimated "total project value" shown in the Declarations:

a. Permanent Works

Materials, equipment, machinery, supplies and property of a similar nature that will become a permanent part of the project described in the Declarations during completion of such project or that will be used or expended in the completion of such project.

Completion of the project includes site preparation (including demolition of existing buildings or structures), fabrication, assembly, installation, erection, alteration, renovation and similar construction activities.

b. Temporary Works

Cofferdams, construction forms, cribbing, falsework, hoarding, scaffolds, fencing, signs, office trailers (and their "contents") and similar temporary buildings or structures incidental to completion of the project described in the Declarations.

We will cover such property:

- At the job site described in the Declarations; and
- (2) While:
 - (a) In transit to the job site or to a temporary storage location, including loading and unloading from a transporting

- conveyance, but only if a Transit Limit of Insurance is shown in the Declarations; or
- (b) In temporary storage awaiting delivery to the job site but only if a Temporary Storage Limit of Insurance is shown in the Declarations.

2. Property and Costs Not Covered

Covered Property does not include:

- Contraband, or property in the course of illegal transit or trade.
- b. Buildings or structures that existed prior to the inception of this policy.
- c. Land and land values and the value of cut, fill and backfill materials that existed at the job site prior to the date construction commenced.

But this restriction does not apply to:

- (1) The value of cut, fill and backfill materials purchased for use in the completion of the project to the extent the value of such property is included in the estimated "total project value" shown in the Declarations.
- (2) Labor, material and equipment charges incurred to move, remove, place or otherwise handle cut, fill and backfill materials to the extent such costs are included in the estimated "total project value" shown in the Declarations.
- d. Water, whether in its natural state or otherwise, and whether above or below ground or the cost of reclaiming or restoring water.
- e. Trees, plants, shrubs and lawns, except to the extent coverage is provided under the Landscaping Coverage Extension.

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f. Construction equipment not destined to become a permanent part of the project described in the Declarations, including tools, machinery, plant and any related accessories and spare parts for such property. But this restriction does not apply to Temporary Works.

3. Covered Causes of Loss

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL LOSS unless the loss is excluded in Section B – EXCLUSIONS.

4. Coverage Extensions

Each of the following Coverage Extensions applies unless *Not Covered* is indicated in the Declarations.

a. Expediting Expense and Extra Expense

- (1) In the event of direct physical loss of or damage to Covered Property caused by or resulting from a Covered Cause of Loss, we will pay for the reasonable and necessary:
 - (a) Expediting charges, including overtime, night work, work on public holidays, express and air freight, and the extra cost of rental construction equipment, you incur solely to expedite repair or replacement of the Covered Property sustaining such loss or damage.
 - (b) Extra Expenses you incur during the period of restoration or repair of the Covered Property sustaining such loss or damage that are over and above the total costs that would normally have been incurred during the same period of time had no loss or damage occurred. We will only pay for such extra expenses you incur for the purpose of continuing as nearly as practicable the scheduled progress of undamaged work.

Extra expense includes equipment rental, emergency expenses, additional security, demobilization and remobilization of equipment and facilities, and temporary use of property, all

when necessarily incurred to reduce time delays in the contract schedule.

- (2) We will not pay under this Coverage Extension:
 - (a) For any expense until the amount of the adjusted direct physical loss or damage exceeds the deductible applicable to such loss or damage.
 - (b) For any expense incurred to overcome delays in the scheduled progress of the work:
 - (i) Which existed at the time of loss; or
 - (ii) Resulting from causes which are independent of or which would have occurred in the absence of a covered loss to Covered Property.
 - (c) Except as provided in the Green Building Additional Expense Additional Coverage, for any expense required to attain any level of "green" certification even if such certification existed prior to loss.
 - (d) For any loss of income or "soft costs".

The expiration date of this policy will not cut short the period of restoration or repair.

The Expediting Expense and Extra Expense Limit of Insurance shown in the Declarations is the most we will pay in any one occurrence under this Coverage Extension.

Any payment under this Coverage Extension is included within and will not increase the applicable Limit of Insurance.

b. Fire Protective Systems

If your fire protective equipment discharges accidentally or to control a Covered Cause of Loss, we will pay for your expense to:

- (1) Recharge or refill your fire protective systems; and
- (2) Replace or repair faulty valves or controls that caused the discharge.

The Fire Protective Systems Limit of Insurance shown in the Declarations is the

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most we will pay in any one occurrence under this Coverage Extension.

c. Landscaping

- (1) We will pay for direct physical loss or damage by a Covered Cause of Loss, other than a cause of loss listed in Paragraph (2) below, to trees, plants, shrubs and lawns, the value of which is included in the estimated "total project value" shown in the Declarations.
- (2) We will not pay for loss of or damage to trees, plants, shrubs and lawns caused by or resulting from lack of moisture, infestation, disease, insects, rodents, animals, freezing, weight of ice or snow or windstorm or hail

The Landscaping Limit of Insurance shown in the Declarations is the most we will pay in any one occurrence under this Coverage Extension.

Any payment under this Coverage Extension is included within and will not increase the applicable Limit of Insurance.

d. Soft Costs

We will pay your "soft costs" during the "period of delay in completion". Such "soft costs" must result from direct physical loss of or damage to Covered Property caused by or resulting from a Covered Cause of Loss which delays the completion of the applicable project described in the Declarations beyond the "planned completion date".

The Soft Costs Limit of Insurance shown in the Declarations is the most we will pay in any one occurrence under this Coverage Extension.

e. Temporary Works Other Than Covered Property

If cofferdams, construction forms, cribbing, falsework, hoarding, scaffolds, fencing, signs, office trailers (and their "contents") and similar temporary buildings or structures incidental to completion of the project described in the Declarations are not otherwise Covered Property under this policy, we will pay for direct physical loss or damage by a Covered Cause of Loss to such property when:

- (1) You own or are legally liable for such property; and
- (2) Such property is at the job site described in the Declarations at the time of such loss or damage.

The Temporary Works Other Than Covered Property Limit of Insurance shown in the Declarations is the most we will pay in total for all such property in any one occurrence under this Coverage Extension.

Any payment under this Coverage Extension is included within and will not increase the applicable Limit of Insurance.

f. Valuable Papers and Records

We will pay your costs to research, replace or restore lost or damaged valuable papers and records, including those which exist on electronic or magnetic media, for which there are no duplicates. Such costs must result from direct physical loss or damage by a Covered Cause of Loss to your valuable papers and records directly related to the applicable project described in the Declarations.

The Valuable Papers and Records Limit of Insurance shown in the Declarations is the most we will pay in any one occurrence under this Coverage Extension.

But we will not pay for loss of or damage to accounts, bills, deeds, evidences of debt, currency, money, notes or securities.

5. Additional Coverages

Each of the following Additional Coverages applies unless *Not Covered* is indicated in the Declarations.

Additional Cost of Construction Materials and Labor

We will pay for the following costs made necessary by a Covered Cause of Loss to Covered Property at the job site described in the Declarations:

- (1) Your increased cost of construction materials and labor; and
- (2) Your costs to make changes in construction specifications;

when such loss or damage results in a total loss to Covered Property.

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The Additional Cost of Construction Materials and Labor Limit of Insurance shown in the Declarations is the most we will pay in any one occurrence under this Additional Coverage.

b. Claim Data Expense

- (1) We will pay the reasonable expenses you incur in preparing claim data when we require it to adjust a covered loss. This includes the cost of taking inventories, making appraisals and preparing other documentation to show the extent of loss.
- (2) We will not pay for:
 - (a) Any expenses incurred, directed, or billed by or payable to attorneys, insurance adjusters or their associates or subsidiaries;
 - (b) Any costs as provided in the Appraisal LOSS CONDITION in the COMMERCIAL INLAND MARINE CONDITIONS; or
 - (c) Any expenses incurred, directed, or billed by or payable to insurance brokers or agents, or their associates or subsidiaries, without our written consent prior to such expenses being incurred.

The Claim Data Expense Limit of Insurance shown in the Declarations is the most we will pay in any one occurrence under this Additional Coverage.

c. Construction Contract Penalty

If you agreed in writing prior to loss to pay penalties as a result of your failure to meet completion times within the terms of a written contract, we will pay such penalties you incur when the failure to meet the completion times is solely due to direct physical loss of or damage to Covered Property caused by or resulting from a Covered Cause of Loss.

The Construction Contract Penalty Limit of Insurance shown in the Declarations is the most we will pay in any one occurrence under this Additional Coverage.

d. Debris Removal

(1) We will pay for your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period.

The amount we will pay includes the increased costs you incur to divert debris of Covered Property to recycling facilities rather than landfills. Any income or remuneration derived from this recycling will reduce the amount of debris removal expense we would have otherwise paid.

The expenses will be paid only if they are reported to us in writing within 180 days of the date of the loss or damage.

- (2) The most we will pay under this Additional Coverage is 25% of:
 - (a) The amount we pay for direct physical loss of or damage to Covered Property; plus
 - (b) The deductible in this Coverage Form applicable to that loss or damage.

Except as provided in Paragraph (3) below, payment under this Additional Coverage is included within and will not increase the applicable Limit of Insurance shown in the Declarations.

- (3) When the debris removal expense exceeds the 25% limitation in Paragraph (2) above or when the sum of the debris removal expense and the amount we pay for the direct physical loss of or damage to Covered Property exceeds the applicable Limit of Insurance, we will pay up to the Debris Removal Increase Limit of Insurance shown in the Declarations.
- (4) We will not pay under this Additional Coverage for your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water.

e. Fire Or Police Department Service Charge

We will pay your liability for fire, police or other public emergency service department charges when such public emergency services are called to save or protect Covered Property from a Covered Cause of Loss. Such emergency service department charges must be:

(1) Assumed by contract or agreement prior to loss or damage; or

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(2) Required by local ordinance.

The Fire Or Police Department Service Charges Limit of Insurance shown in the Declarations is the most we will pay in any one occurrence under this Additional Coverage.

No deductible applies to this Additional Coverage.

f. "Fungus", Wet Rot And Dry Rot

- (1) We will pay for direct physical loss of or damage to Covered Property caused by "fungus", wet rot or dry rot, but only when the "fungus", wet rot or dry rot is the result of any of the "specified causes of loss", other than fire or lightning, that occurs during the policy period and only if all reasonable means were used to save and preserve the Covered Property from further damage at the time of and after the occurrence of any such cause of loss.
- (2) We will also pay for the following in connection with loss or damage covered in Paragraph (1) above:
 - (a) The cost of removal of the "fungus", wet rot or dry rot;
 - (b) The cost to tear out and replace any part of the building or structure or other property as needed to gain access to the "fungus", wet rot or dry rot; and
 - (c) The cost of testing performed after removal, repair, replacement or restoration of the damaged Covered Property is completed, provided there is a reason to believe that "fungus", wet rot or dry rot is present.
- (3) The Fungus, Wet Rot And Dry Rot Limit of Insurance shown in the Declarations is the most we will pay under this Additional Coverage in each separate 12 month period of this policy beginning with the effective date shown in the Declarations. This is the most we will pay for the total of all loss or damage covered in Paragraphs (1) and (2) above regardless of the:
 - (a) Number of insureds, claims, job sites or locations:

- (b) Occurrences during each separate 12-month period of this policy; or
- (c) Types of coverages provided under this policy.

This limit applies even if the "fungus", wet rot or dry rot connected to any particular occurrence continues to be present or active, or recurs, in a later 12 month period of this policy.

(4) Any payment under this Additional Coverage is included within and will not increase the applicable Limit of Insurance.

g. Green Building Additional Expense

- (1) If, as a result of direct physical loss or damage by a Covered Cause of Loss to a building or structure that is Covered Property, the budgeted level of "green" certification by a "Green Authority" on the building or structure is lost, we will pay for the following reasonable additional expenses you incur to attain the budgeted level of "green" certification from that "Green Authority":
 - (a) The reasonable additional expense you incur to hire a qualified engineer or other professional required by the "Green Authority" to be involved in:
 - (i) Designing, overseeing or documenting the repair or replacement of the lost or damaged building or structure; or
 - (ii) Testing and recalibrating the systems and mechanicals of the lost or damaged building or structure to verify that the systems and mechanicals are performing in accordance with the design of such systems and mechanicals or the specifications of the manufacturer; and
 - (b) The reasonable registration and recertification fees charged by the "Green Authority".
- (2) This Additional Coverage applies to the additional expenses described above that you incur to achieve the budgeted level of "green" certification

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in accordance with the standards of the "Green Authority" that exist at the time of repair or replacement, even if the standards have changed since the original certification was achieved.

The Green Building Additional Expense Limit of Insurance shown in the Declarations is the most we will pay in any one occurrence under this Additional Coverage.

h. Ordinance or Law

- (1) In the event of covered direct physical loss of or damage to a building or structure that is Covered Property, the following coverages apply, but only with respect to that lost or damaged building or structure:
 - (a) Coverage A Coverage For Loss To The Undamaged Portion Of The Building or Structure

We will pay under Coverage A for the loss in value of the undamaged portion of the building or structure as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building or structure.

Any payment under Coverage A is included within and will not increase the Limit of Insurance applicable to the covered loss to the building or structure.

(b) Coverage B – Demolition Cost Coverage

We will pay under Coverage B the cost to demolish the building or structure and clear the site of undamaged parts of the same building or structure, as a consequence of enforcement of an ordinance or law that requires demolition of such undamaged property.

(c) Coverage C - Increased Cost Of Construction Coverage

We will pay under Coverage C the increased cost to:

- (i) Repair or reconstruct damaged portions of that building or structure: or
- (ii) Reconstruct or remodel undamaged portions of that building or structure, whether or not demolition is required;

when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

This Coverage C applies only if the restored or remodeled property is intended for similar occupancy or use as the current property, unless such occupancy or use is not permitted by zoning or land use ordinance. This Coverage C does not apply if the building or structure is not repaired, reconstructed or remodeled.

- (2) The coverages described in Paragraph (1) above apply only if the provisions in Paragraphs (a) and (b) below are satisfied and are then subject to the qualifications set forth in Paragraph (c) below:
 - (a) The ordinance or law:
 - (i) Regulates the demolition, construction or repair of buildings or structures, or establishes zoning or land use requirements at the applicable job site described in the Declarations; and
 - (ii) Is in force at the time of the loss.

But the coverage under this Additional Coverage applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this policy.

- (b) The building or structure either:
 - (i) Sustains direct physical loss or damage that is covered under this policy and such damage results in enforce-

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- ment of the ordinance or law; or
- (ii) Sustains both direct physical loss or damage that is covered under this policy and direct physical loss or damage that is not covered under this policy, and the building or structure damage in its entirety results in enforcement of the ordinance or law.

If the building or structure sustains direct physical loss or damage that is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this Additional Coverage even if the building or structure has also sustained covered direct physical loss or damage.

(c) In the situation described in Paragraph (2)(b)(ii) above, we will not pay the full amount of loss otherwise payable under the terms of Coverage A, B or C of this Additional Coverage. Instead, we will pay a proportion of such loss. The proportion of such loss that we will pay is the proportion that the covered direct physical loss or damage bears to the total direct physical loss or damage.

However, if covered direct physical loss or damage, alone, would have resulted in enforcement of the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of Coverage A, B or C of this Additional Coverage.

- (3) We will not pay under this Additional Coverage for:
 - (a) The enforcement of any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot;

- (b) The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot; or
- (c) Loss due to any ordinance or law that:
 - You were required to comply with before the loss, even if Covered Property was undamaged; and
 - (ii) You failed to comply with.
- (4) Exclusion B.1.e. Ordinance or Law does not apply to the insurance specifically provided under this Additional Coverage.
- (5) The applicable Limit of Insurance shown in the Declarations under the Ordinance or Law Additional Coverage is the most we will pay in any one occurrence under this Additional Coverage.

If a combined limit of insurance is shown in the Declarations for Coverage B and Coverage C of this Additional Coverage, such limit is the most we will pay for the sum of both coverages in any one occurrence.

i. Pollutant Clean Up and Removal

- (1) We will pay your expense to extract "pollutants" from land or water at the job site described in the Declarations if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from any of the "specified causes of loss", to Covered Property that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of the loss or damage.
- (2) This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration

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or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

(3) The Pollutant Clean Up and Removal Limit of Insurance shown in the Declarations is the most we will pay under this Additional Coverage for each job site described in the Declarations for the sum of all such expenses arising out of all "specified causes of loss" occurring during each separate 12 month period of this policy beginning with the effective date shown in the Declarations.

j. Preservation of Property

If it is necessary to temporarily move Covered Property from the job site described in the Declarations or a temporary storage location to preserve it from the threat of imminent loss or damage by a Covered Cause of Loss, we will pay for:

- (1) The cost to remove the Covered Property from the job site or location, temporarily store the Covered Property at another location and move the Covered Property back to the original job site or location within a reasonable time after the threat of imminent loss or damage to the property by the Covered Cause of Loss passes; and
- (2) Any direct physical loss or damage to this property while it is being moved or while temporarily stored at another location if such loss or damage occurs within 180 days after the property is first moved.

Coverage will end when any of the following first occurs:

- (a) When the policy is endorsed to provide insurance at the new location:
- (b) The property is returned to the original location; or
- (c) This policy expires.

The Preservation of Property Limit of Insurance shown in the Declarations is the most we will pay in any one occurrence under this Additional Coverage.

Any payment under this Additional Coverage is included within and and will not

increase the applicable Limit of Insurance.

k. Protection of Property

If Covered Property is in imminent danger of sustaining direct physical loss or damage from:

- (1) Fire;
- (2) Any storm system that has been declared and named a tropical storm or hurricane by the National Hurricane Center or the Central Pacific Hurricane Center of the National Weather Service, including any tornado or any other wind event that is caused by or results from the named storm; or
- (3) A flood that has been forecasted by the National Weather Service or the U.S. Army Corps of Engineers;

we will pay the necessary and reasonable expenses actually incurred by you to protect that property at the job site described in the Declarations from such loss or damage, but only if the applicable cause of loss is a Covered Cause of Loss.

You must keep a record of the expenses you incur.

The Protection of Property Limit of Insurance shown in the Declarations is the most we will pay in any one occurrence under this Additional Coverage.

Any payment under this Additional Coverage is included within and will not increase the applicable Limit of Insurance.

I. Reward Coverage

We will reimburse you for reward expenses you have incurred leading to:

- The successful return of undamaged stolen Covered Property to a law enforcement agency; or
- (2) The arrest and conviction of any person who have damaged or stolen any Covered Property.

We will pay 25% of the covered loss, prior to the application of any Deductible and recovery, up to the Reward Coverage Limit of Insurance shown in the Declarations in any one occurrence for the reward payments you make. These reward payments must be documented.

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No Deductible applies to this Additional Coverage.

This Additional Coverage does not apply in the state of New York.

B. EXCLUSIONS

We will not pay for loss or damage caused directly or indirectly by any of the following.
 Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

a. Earth Movement

- (1) Any of the following, all whether naturally occurring or due to man-made or other artificial causes:
 - (a) Earthquake, including tremors and aftershocks, and earth sinking, rising or shifting related to such event;
 - (b) Landslide, including earth sinking, rising or shifting related to such event;
 - (c) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
 - (d) Earth sinking (other than "sinkhole collapse"), rising or shifting; or
 - (e) Volcanic eruption, explosion or effusion.
- (2) If Earth Movement as described in:
 - (a) Paragraphs (1)(a) through (1)(d) above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion; or
 - (b) Paragraph (1)(e) above, results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

Volcanic Action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- (i) Airborne volcanic blast or airborne shock waves:
- (ii) Ash, dust or particulate matter; or
- (iii) Lava flow.

With respect to coverage for Volcanic Action as set forth in Paragraphs (i), (ii) and (iii) above, volcanic eruptions that occur within any 168-hour period will constitute a single occurrence. Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

(3) This exclusion does not apply to property in transit.

b. "Fungus", Wet Rot And Dry Rot

Presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot.

But if "fungus", wet rot or dry rot results in a "specified cause of loss", we will pay for loss or damage caused by that Covered Cause of Loss.

This exclusion does not apply:

- (1) When "fungus", wet rot or dry rot results from fire or lightning; or
- (2) To the extent that coverage is provided in the "Fungus", Wet Rot And Dry Rot Additional Coverage.

c. Governmental Action

Seizure or destruction of property by order of governmental authority, except as provided in the Ordinance or Law Additional Coverage.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

d. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination however caused.

But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the loss or damage caused by that fire if the fire would be covered under this Coverage Form.

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e. Ordinance or Law

- (1) The enforcement of any ordinance or law:
 - (a) Regulating the construction, use or repair of any property; or
 - (b) Requiring the tearing down of any property, including the cost of removing its debris.
- (2) This exclusion applies whether the loss results from:
 - (a) An ordinance or law that is enforced even if the property has not been damaged; or
 - (b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

f. War and Military Action

- (1) War, including undeclared or civil war:
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

g. Water

- (1) Any of the following, all whether naturally occurring or due to man-made or other artificial causes:
 - (a) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether driven by wind (including storm surge) or not;
 - (b) Mudslide or mudflow;
 - (c) Water or sewage that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment. However, this exclusion does not apply to the backup

or overflow of water or sewage from drains within a building or structure if the backup or overflow is not otherwise directly or indirectly caused by the Water Exclusions in Paragraphs (a) or (b) above or in Paragraphs (d) or (e) below.

- (d) Water under the ground surface pressing on, or flowing or seeping through:
 - (i) Foundations, walls, floors or paved surfaces;
 - (ii) Basements, whether paved or not; or
 - (iii) Doors, windows or other openings; or
- (e) Waterborne material carried or otherwise moved by any of the water referred to in Paragraphs (a), (c) and (d) above or material carried or otherwise moved by mudslide or mudflow.
- (2) If Water, as described in Paragraphs (a) through (e) above, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.
- (3) This exclusion does not apply to property in transit.
- 2. We will not pay for loss or damage caused by or resulting from any of the following:

a. Consequential Loss

- (1) Delay, loss of use or loss of market;
- (2) Loss of income, soft costs or extra expenses except as specifically provided in this Coverage Part.

b. Dishonesty

Dishonest or criminal act by you, any of your partners, members, officers, managers, employees (including leased employees), directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:

- (1) Acting alone or in collusion with others; or
- (2) Whether or not occurring during the hours of employment.

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This exclusion does not apply to acts of destruction by your employees (including leased employees), but theft by employees is not covered.

This exclusion does not apply to carriers for hire.

c. Missing Property

Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.

d. Pollution

Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss".

But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in any of the "specified causes of loss", we will pay for the loss or damage caused by such "specified causes of loss".

e. Rain, Snow, Sleet Or Ice

Rain, snow, sleet or ice, whether driven by wind or not. This exclusion applies only to the following property:

- (1) Personal property left in the open;
- (2) The "interior of a building or structure", or to personal property in the building or structure unless:
 - (a) The building or structure first sustains damage by a Covered Cause of Loss to:
 - (i) Its completed exterior facing roof or walls; or
 - (ii) Any reasonable temporary materials or objects intended to protect such property from such loss;

through which the rain, snow, sleet or ice enters; or

- (b) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
- We will not pay for loss or damage caused by or resulting from any of the following. But if

loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

a. Weather conditions. But this exclusion applies only if weather conditions contribute in any way with a cause or event excluded in Section B.1. above to produce the loss.

b. Other Types of Losses

- (1) Rust or other corrosion.
- (2) Wear and tear, gradual deterioration.
- (3) Settling, cracking, shrinking or expanding of walls, floors, ceilings, foundations, pilings, patios, driveways or pavements.
- (4) Hidden or latent defect or any quality in property that causes it to damage or destroy itself.
- We will not pay for loss or damage caused by or resulting from faulty, inadequate or defective:
 - Planning, zoning, development, surveying, siting;
 - Design, specifications, workmanship, repair, construction, renovation, remodeling, grading or compaction;
 - Materials used in repair, construction, renovation, remodeling, grading or compaction; or
 - d. Maintenance;

of part or all of any property on or off the job site described in the Declarations.

If an excluded cause of loss listed in Paragraph 4.a. through 4.d. above, results in a Covered Cause of Loss, we will pay for the resulting loss or damage caused by that Covered Cause of Loss. But we will not pay for:

- (1) Any cost of correcting or making good the fault, inadequacy or defect itself, including any cost incurred to tear down, tear out, repair or replace any part of any property to correct the fault, inadequacy or defect; or
- (2) Any resulting loss or damage to the property that has the fault, inadequacy or defect until the fault, inadequacy or defect is corrected.

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C. LIMITS OF INSURANCE

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations, Schedule(s), Coverage Form(s) or Endorsement(s). But in the event coverage for loss or damage is provided under the Coverage Extensions or Additional Coverages, the Limits of Insurance for such Coverage Extension or Additional Coverage will apply as additional amounts of insurance, unless otherwise stated within the Coverage Extension or Additional Coverage.

D. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage exceeds the applicable Deductible shown in the Declarations, Schedule(s), Coverage Form(s) or Endorsement(s). We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

The applicable Deductible shown in the Declarations applies to the Coverage Extensions and Additional Coverages unless otherwise stated in the Coverage Extension or Additional Coverage.

Unless otherwise stated, if more than one Deductible amount applies to loss or damage in any one occurrence, the total of the deductible amounts applied in that occurrence will not exceed the amount of the largest applicable Deductible.

E. ADDITIONAL CONDITIONS

The following conditions apply in addition to the COMMERCIAL INLAND MARINE CONDITIONS and the COMMON POLICY CONDITIONS.

1. Additional Named Insured

The following persons or organizations are included as Additional Named Insureds when you have agreed in a written contract or written agreement, executed prior to loss, to name such persons or organizations as an Additional Named Insured, but only to the extent of their financial interest in the Covered Property:

- a. Owners of Covered Property;
- b. Mortgagees or loss payees;
- Contractors, sub contractors and sub-sub contractors; and
- d. Lessors or lessees.

2. Coinsurance

If a Coinsurance Percentage is shown in the Declarations for the applicable project, the following condition applies:

a. We will not pay the full amount of any loss if the applicable "total project value" at the time of loss multiplied by the stated Coinsurance Percentage is greater than the applicable Covered Property Limit of Insurance.

Instead, we will determine the most we will pay using the following steps:

Step (1) Multiply the "total project value" at the time of loss by the Coinsurance Percentage.

Step (2) Divide the Covered Property Limit of Insurance by the figure determined in Step (1).

Step (3) Multiply the total amount of the covered loss, before the application of any deductible, by the figure determined in Step (2).

Step (4) Subtract the deductible from the figure determined in Step (3).

We will pay the amount determined in Step (4) or the Limit of Insurance, whichever is less.

For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

- b. Coinsurance does not apply to:
 - (1) Additional Coverages; or
 - (2) Coverage Extensions.

3. Duties in the Event of Loss

The following duties are added to the Duties In The Event of Loss LOSS CONDITION in the COMMERCIAL INLAND MARINE CONDITIONS:

You must see that the following are done in the event of loss:

a. You must make every effort to meet the applicable "planned completion date".

This includes:

- Resuming, as soon as possible, all or any part of the construction or repair; or
- (2) Using temporary or substitute:
 - (a) Facilities, services, suppliers or customers; or

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- (b) Machinery, equipment, supplies or materials.
- b. If any portion of Covered Property was in operation or use for its intended purpose at the time of loss, you must resume all or part of the operation or use as quickly as possible if you intend to continue your business.

This includes using:

- (1) Damaged or undamaged property at the job site described in the Declarations or elsewhere; or
- (2) Temporary or substitute:
 - (a) Facilities, services, suppliers or customers; or
 - (b) Machinery, equipment, supplies or materials.
- c. Notify us of any payment you receive from others due to a delay in the completion of construction beyond the "planned completion date".

If you do not resume the operation or use of Covered Property as quickly as possible or make every effort to meet the applicable "planned completion date", we will only pay the amount of loss we would have otherwise paid if you had complied with the above conditions.

4. Jurisdictional Inspections

At your option, we will provide certificate-ofoperation inspection services for boilers and other pressure vessels where:

- You have notified us of equipment that is insured under this Coverage Form and that requires a certificate-of-operation;
- b. The certificate-of-operation is required by state, city or provincial law; and
- c. The state, city or provincial law permits inspections by insurance company employees.

Certificate-of-operation inspection services shall be provided only in the United States of America, Puerto Rico and Canada as allowed by state, city or provincial law.

5. Knowledge of Occurrence

a. You must give written notice of any occurrence of loss to us or any of our authorized agents as soon as practicable after knowledge of the loss or damage is received by you, one of your executive offi-

- cers who handles insurance matters or a risk manager of any named insured.
- b. Knowledge of an incident by your agent, servant or employee, which could give rise to a claim, will not in itself constitute knowledge by you unless you, one of your executive officers who handles insurance matters or a risk manager of any named insured have received such notice from your agent, servant or employee.
- c. Your rights under this insurance will not be prejudiced if there is a failure to give notice of an occurrence of loss or damage due solely to your reasonable belief that the loss or damage is not covered under this insurance.

6. Liberalization

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 60 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

7. Loss Payment

The Loss Payment LOSS CONDITION in the COMMERCIAL INLAND MARINE CONDITIONS is replaced by the following:

Loss Payment

- a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:
 - (1) Pay the value of lost or damaged property;
 - (2) Pay the cost of repairing or replacing the lost or damaged property, subject to Paragraphs b. and c. below;
 - (3) Take all or any part of the property at an agreed or appraised value; or
 - (4) Repair, rebuild or replace the property with other property of like kind and quality, subject to Paragraphs b., c. and d. below.

We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation ADDITIONAL CONDITION in this Coverage Form or any applicable provision which amends or supersedes such Condition.

 Except as provided in the Ordinance or Law Additional Coverage, the cost to re-

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pair, rebuild or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

c. Ordinance Or Law

The following loss payment provisions apply to coverage under the Ordinance Or Law Additional Coverage and are subject to the apportionment procedures set forth in such Additional Coverage:

- (1) For a loss in value of an undamaged portion of Covered Property to which Coverage A – Coverage For Loss To The Undamaged Portion Of The Building or Structure applies, the loss payment for that building or structure, including damaged and undamaged portions, will be determined as follows:
 - (a) If Replacement Cost Coverage applies and the property is being repaired or replaced, on the same or another job site, we will not pay more than the lesser of:
 - (i) The cost to repair, rebuild or reconstruct the building or structure, but not for more than the amount it would cost to restore that building or structure on the same location and to the same height, floor area, style, capacity and comparable quality of the original property insured; or
 - (ii) The Limit of Insurance shown in the Declarations as applicable to the covered building or structure.
 - (b) If Replacement Cost Coverage applies and the property is not repaired or replaced, or if Replacement Cost Coverage does not apply, we will not pay more than the lesser of:
 - (i) The Actual Cash Value of the building or structure at the time of loss; or
 - (ii) The Limit of Insurance shown in the Declarations as appli-

cable to the covered building or structure.

(2) Loss payment under Coverage B – Demolition Cost Coverage will be determined as follows:

We will not pay more than the lesser of the following:

- (a) The amount you actually spend to demolish and clear the site; or
- (b) The applicable Demolition Cost Coverage Limit of Insurance shown in the Declarations.
- (3) Loss payment under Coverage C Increased Cost Of Construction Coverage will be determined as follows:
 - (a) We will not pay under Coverage C – Increased Cost Of Construction Coverage:
 - (i) Until the property is actually repaired or replaced, at the same or another job site; and
 - (ii) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
 - (b) If the Covered Building or Structure is repaired or replaced at the same job site, or if you elect to rebuild at another location, the most we will pay under Coverage C Increased Cost Of Construction Coverage is the lesser of:
 - (i) The increased cost of construction at the same job site; or
 - (ii) The applicable Increased Cost of Construction Coverage Limit of Insurance shown in the Declarations.
 - (c) If the ordinance or law requires relocation to another location, the most we will pay under Coverage C – Increased Cost Of Construction Coverage is the lesser of:
 - (i) The increased cost of construction at the new location;

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- (ii) The applicable Increased Cost of Construction Coverage Limit of Insurance shown in the Declarations.
- d. Except as specifically provided in the Green Building Additional Expense, the cost to repair, rebuild or replace does not include any expenses you incur to attain any level of "green" certification.

e. Soft Costs Loss Determination

The following loss payment provisions apply to "soft costs" coverage:

The actual amount of "soft costs" will be determined based on your budgeted costs for the applicable project described in the Declarations had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred.

The amount of the "soft costs" loss will also be determined based on other relevant sources of information, including:

- Your financial records and accounting procedures;
- (2) Bills, invoices and other vouchers;
- (3) Deeds, liens or contracts; and
- (4) Any amounts by which the amount of loss is reduced due to your failure to perform the duties in the event of loss outlined in this policy.
- f. With respect to our options under Paragraphs a.(1) through a.(4) above, we will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- **g.** We will not pay you more than your financial interest in the Covered Property.
- h. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- We may elect to defend you against suits arising from claims of owners of property.
 We will do this at our expense.
- j. We will pay for covered loss within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:

- (1) We have reached agreement with you on the amount of loss; or
- (2) An appraisal award has been made.
- k. We will not be liable for any part of the loss or damage that has been paid or made good by others.
- I. At our option, we may make a partial payment toward any claim, subject to the policy provisions and our normal adjustment process. To be considered for a partial claim payment, you must submit a partial sworn proof of loss with supporting documentation. Any applicable policy deductibles must be satisfied before any partial payments are made.

8. Minimum Earned Premium

If a Minimum Earned Premium is shown in the Declarations, such premium is the least amount of premium you must pay when the actual earned premium for this coverage is less than the Minimum Earned Premium.

The Minimum Earned Premium does not apply if we cancel coverage other than at your request.

9. Other Insurance

The Other Insurance LOSS CONDITION in the COMMERCIAL INLAND MARINE CONDITIONS is replaced by the following:

a. Other Insurance

Except as stated in the Contributing Insurance and Excess Insurance in Paragraphs b. and c. below, if there is other insurance covering the same loss or damage as this Coverage Part we will pay only for the amount of covered loss in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

b. Contributing Insurance

You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.

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c. Excess Insurance

You may have excess insurance over the Limit(s) of Insurance set forth in this Coverage Part without prejudice to this Coverage Part. The existence of such insurance will not reduce our liability under this Coverage Part.

10. Policy Period

We cover loss or damage commencing with the inception date of the policy period shown in the Declarations and ending when any one of the following first occurs:

- a. This policy expires or is cancelled;
- b. Final acceptance of the applicable project described in the Declarations by the owner.
- Your interest in the applicable project described in the Declarations ceases;
- Insurance other than Builders' Risk is obtained on the building or structure; or
- e. You abandon the property with no intention to complete it.

11. Premium Adjustment

a. Estimated Premium

If an Estimated Project Term Premium is shown in the Declarations for the applicable project, that premium was developed using the applicable estimated "total project value" shown in the Declarations and is subject to adjustment as outlined in this Additional Coverage Condition.

b. Reporting

(1) Within 30 days after final completion of the applicable project described in the Declarations, you must report, to us in writing, the Final Premium Base and other information outlined below.

The Final Premium Base is the "total project value" at the date of final completion.

You must also report the date construction was completed and coverage under this policy ended.

(2) Cancellation or Nonrenewal

If coverage under this policy was cancelled or nonrenewed, you must report, to us in writing, the Final Premium Base of each project described in the Declarations.

The Final Premium Base is the "total project value" as of the date of cancellation or nonrenewal.

c. Final Premium

Your Final Premium for the applicable project described in the Declarations is computed using the following steps:

Step 1: Multiply the applicable Annual Rate shown in the Declarations by the Final Premium Base = Actual Annual Premium.

Step 2: Adjust the Actual Annual Premium for the actual length of time coverage was provided under this policy for that project = Actual Term Premium.

Step 3: If the Actual Term Premium is greater than the applicable Estimated Premium, subtract the applicable Estimated Premium from the Actual Term Premium. This is the additional premium due. All additional premium is due and payable as of the date of the Premium Adjustment.

Step 4: If the Actual Term Premium is greater than the Minimum Earned Premium shown in the Declarations, but less than the applicable Estimated Premium, subtract the Actual Term Premium from the applicable Estimated Premium. We will refund this amount to you.

Step 5: If the Actual Term Premium is less than the Minimum Earned Premium shown in the Declarations and less than the applicable Estimated Premium, subtract the Minimum Earned Premium from the applicable Estimated Premium. We will refund this amount to you.

d. Records

You must keep accurate records of transactions used to develop the Premium Base required for Premium Adjustment.

12. Reinstatement of Limit After Loss

The Reinstatement of Limit After Loss LOSS CONDITION in the COMMERCIAL INLAND MARINE CONDITIONS is replaced by the following:

Reinstatement of Limit After Loss

With the exception of any applicable annual aggregate Limit of Insurance, the Limit of Insurance will not be reduced by the payment of any claim.

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13. Transfer Of Rights Of Recovery Against Others To Us

The Transfer Of Rights Of Recovery Against Others To Us LOSS CONDITION in the COMMERCIAL INLAND MARINE CONDITIONS is replaced by the following:

Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this insurance has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss or damage to impair them.

- a. In accordance with any provision set forth in the applicable signed construction contract, prior to loss or damage any Named Insured may waive their rights to recover damages against any individual, corporation, or entity:
 - (1) With a financial interest in Covered Property; or
 - (2) That is a contractor or subcontractor performing work at the job site described in the Declarations.

But this waiver to recover damages does not apply to:

- (a) Any architect, engineer or other party or entity responsible for any design, specifications or plans for the fabrication, erection or completion of Covered Property with respect to loss or damage that may be caused by fault, defect, error or omission in such design, specifications or plans; or
- (b) Any contractor, manufacturer or supplier of machinery, equipment or other insured property that has agreed to make good loss or damage under a guaranty or warranty.
- b. You may also waive your rights against another party in writing after a loss under this Coverage Part only if, at time of loss, that party is one of the following:
 - (1) A business firm:
 - (a) Owned or controlled by you; or
 - (b) That owns or controls you; or
 - (2) Your tenant.

This will not restrict your insurance.

14. Unintentional Errors In Description

Your error in how you describe the address of the job site shown in the Declarations shall not prejudice coverage afforded by this policy, provided such error is not intentional. Any such error shall be reported and corrected when discovered and appropriate premium charged.

15. Valuation

The Valuation GENERAL CONDITION in the COMMERCIAL INLAND MARINE CONDITIONS is replaced by the following:

Valuation

In the event of loss or damage, the value of Covered Property at the time of loss or damage will be determined as follows:

- a. At replacement cost as of the time of loss or damage, except as otherwise provided in this Valuation GENERAL CONDITION. Replacement cost is the cost to replace Covered Property at the time of loss or damage without deduction for depreciation.
 - (1) You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim on a replacement cost basis if you notify us of your intent to do so within 180 days after the loss or damage.
 - (2) We will not pay on a replacement cost basis for any loss or damage:
 - (a) Until the lost or damaged property is actually repaired or replaced; and
 - (b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

Instead, we will pay on an actual cash value basis. This restriction does not apply to losses less than \$50,000.

b. Property of others at the amount for which you are liable, not to exceed the replacement cost.

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- c. We will not pay more for loss or damage on a replacement cost basis than the least of the following subject to Paragraph d. below
 - (1) The Limit of Insurance applicable to the lost or damaged property;
 - (2) The cost to replace, at the same job site, the lost or damaged property with other property;
 - (a) Of comparable material and quality; and
 - (b) Used for the same purpose; or
 - (3) The amount you actually spend that is necessary to repair or replace the lost or damaged property.
 - (4) The cost to replace Covered Property includes:
 - (a) Labor and delivery charges; and
 - (b) General and specific overhead and profit:
 - (i) Only as related directly to the repair or replacement of the Covered Property sustaining covered loss or damage; and
 - (ii) At the same percentages as included, immediately prior to the covered loss or damage, in the "total project value" for the applicable project shown in the Declarations.

If a building or structure is rebuilt at a different location, the cost described in Paragraph (2) above is limited to the cost which would have been incurred had the building or structure been built at the original job site described in the Declarations.

d. The cost to repair, rebuild, or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property, except as provided in the Additional Coverage – Ordinance or Law.

16. Where Coverage Applies

We cover property that is in:

 The United States of America (including its territories and possessions);

- b. Puerto Rico; or
- c. Canada.

But we do not cover property in transit to or from Hawaii, Puerto Rico or any United States of America territory or possession.

F. DEFINITIONS

- "Contents" means business personal property and home furnishings.
- "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- "Green" means products, materials, methods and processes that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize the environmental impact.
- "Green Authority" means a recognized authority on "green" buildings or structures or "green" products, materials or processes.
- "Interior of a building or structure" means any portion of a building or structure that, at completion of construction, will be within the exterior facing building material of that building or structure.
- 6. "Period of delay in completion" means the period of time that:
 - a. Begins with the "planned completion date" or after any applicable Soft Costs Waiting Period shown in the Declarations from the "planned completion date", whichever is later; and
 - Ends on the date when Covered Property should be completed using reasonable speed and similar quality.

"Period of delay in completion" does not include any increased period required to attain any level of "green" certification.

The expiration date of this policy will not cut short the "period of delay in completion".

7. "Planned completion date" means the date the applicable project described in the Declarations would be put into operation or use for its intended purpose in the normal course of construction if loss of or damage to Covered Property from any of the Covered Causes of Loss had not occurred.

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- 8. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, waste and any unhealthful or hazardous building materials (including asbestos and lead products or materials containing lead). Waste includes materials to be recycled, reconditioned or reclaimed.
- 9. "Sinkhole collapse" means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. "Sinkhole collapse" does not mean the cost of filling sinkholes or the sinking or collapse of land into man-made underground cavities.
- 10. "Soft costs" means your actual and necessary business costs in excess of your budgeted amount for the project consisting only of:
 - Advertising and promotional expenses.
 - Architect, engineer, designer and consultant fees
 - Costs resulting from the renegotiation of your sales contract, leases or construction loans.
 - d. General overhead and administrative expenses, other than legal, accounting and professional fees.
 - e. Insurance premiums.
 - Interest on money borrowed to finance construction.
 - g. Legal and accounting fees and other costs to renegotiate and prepare revised contracts and other documents.

These expenses cannot be used for preparation of claims or to establish liability for loss.

- h. Permit and Inspection Fees.
- i. Realty taxes and realty assessments.
- 11. "Specified causes of loss" means fire; lightning; explosion; windstorm or hail; smoke (including the emission or puff back of smoke, soot, fumes or vapors from a boiler, furnace or related equipment); aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; "sinkhole collapse"; volcanic action; falling objects as limited below; weight of snow, ice or sleet; "water damage", all only as otherwise insured against in this Coverage Part.

Falling objects does not include loss or damage to:

- a. Personal property in the open; or
- b. The "interior of a building or structure" or personal property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
- 12. "Total project value" means the sum of all costs to complete the applicable project described in the Declarations including labor, construction management fees, delivery charges, administrative expenses, overhead, and reasonable profit.
- 13. "Volcanic action" means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:
 - Airborne volcanic blast or airborne shock waves:
 - b. Ash, dust or particulate matter; or
 - c. Lava flow.

"Volcanic action" does not mean the cost to remove ash, dust or particles that do not cause direct physical loss or damage.

All volcanic eruptions that occur within any 168 – hour period will constitute a single occurrence.

14. "Water damage" means:

- a. Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts) that is located on the applicable job site described in the Declarations and contains water or steam; and
- b. Accidental discharge or leakage of water as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the applicable job site described in the Declarations, if the breakage or cracking is caused by wear and tear. This provision serves as an exception to the wear and tear exclusion under the Other Types of Losses Exclusion in Section B.3.b. But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion B.1.g.

CONSTRUCTION PAK – BUILDERS' RISK SPECIAL TIME ELEMENT COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Form, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section E – DEFINITIONS of this Coverage Form and Section F – DEFINITIONS of the CONSTRUCTION PAK – BUILDERS' RISK COVERAGE FORM.

A. COVERAGE

Covered Property as used throughout this Coverage Form means property that is Covered Property under the CONSTRUCTION PAK – BUILD-ERS' RISK COVERAGE FORM.

The following Special Time Element Coverages apply when indicated by an 'X' in the Declarations for the applicable project.

1. "Business Income"

We will pay the actual loss of "business income" you sustain due to the partial or complete:

- a. Cessation of your business activities; or
- Delay in start up of your business activities;

during the "post-loss period of repair or construction". Such cessation or delay must be caused by or result from direct physical loss of or damage to Covered Property by a Covered Cause of Loss.

2. "Rental Value"

We will pay the actual loss of "rental value" you sustain due to the partial or complete:

- a. Cessation of your business activities; or
- b. Delay in start up of your business activities:

during the "post-loss period of repair or construction". Such cessation or delay must be caused by direct physical loss of or damage to Covered Property by a Covered Cause of Loss.

3. "Soft Costs"

We will pay your "soft costs" during the "period of delay in completion". Such "soft costs" must result from direct physical loss of or damage to Covered Property caused by or resulting from a Covered Cause of Loss which delays the completion of the applicable

project beyond the "planned completion date".

4. Additional Coverages

a. Civil Authority

- (1) When a Covered Cause of Loss causes damage to property other than property at a job site described in the Declarations, Special Time Element Coverage as provided and limited in this Coverage Form is extended to apply to the amount of loss caused by action of civil authority that prohibits access to the applicable job site described in the Declarations provided that both of the following apply:
 - (a) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of such damage, and the applicable job site described in the Declarations is within that area but not more than one mile from the damaged property; and
 - (b) The action of civil authority is taken in response to dangerous physical conditions resulting from such damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.
- (2) Civil Authority Coverage begins 72 hours after the time of the first action of the Civil Authority that prohibits access to the applicable job site and will apply for a period of up to 30 consecutive days from the date on which the coverage begins.

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(3) The Waiting Period shown in the Declarations or any Special Time Element Deductible shown elsewhere in this policy does not apply to this Additional Coverage.

b. Claim Data Expense

- (1) We will pay the reasonable expenses you incur in preparing claim data when we require it to adjust a covered loss. This includes the cost of preparing income statements and other documentation to show the extent of loss.
- (2) We will not pay for:
 - (a) Any expenses incurred, directed, or billed by or payable to attorneys, insurance adjusters or their associates or subsidiaries;
 - (b) Any costs as provided in the Appraisal LOSS CONDITION; or
 - (c) Any expenses incurred, directed, or billed by or payable to insurance brokers or agents, or their associates or subsidiaries, without our written consent prior to such expenses being incurred.
- (3) The most we will pay in any one occurrence under this Additional Coverage is \$50,000.

c. Expense To Reduce Loss

We will pay the reasonable and necessary expense you incur during the "postloss period of repair or construction" if you would not have incurred such expense had there not been loss of or damage to Covered Property by a Covered Cause of Loss. But we will not pay more for your expense than the amount by which such expense reduces the loss we would have otherwise paid under this Coverage Form.

Any payment under this Additional Coverage is included within and will not increase the applicable Limit of Insurance.

5. Covered Causes of Loss

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL LOSS unless the loss is excluded or limited in:

- a. Section B EXCLUSIONS of the CON-STRUCTION PAK – BUILDERS' RISK COVERAGE FORM; or
- Section B EXCLUSIONS of this Coverage Form; or

c. In the Declarations or by endorsement.

B. EXCLUSIONS

The following exclusions apply in addition to the exclusions and limitations contained in the CON-STRUCTION PAK – BUILDERS' RISK COVER-AGE FORM.

We will not pay for loss that is directly or indirectly due to an increase in the "period of delay in completion" or the "post-loss period of repair or construction" caused by any of the following. Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the following:

- The enforcement of any ordinance or law that:
 - Regulates the construction, use, repair, replacement, or requires the tearing down of any property;
 - Regulates the prevention, control, repair, cleanup or restoration of environmental damage; or
 - c. Requires you or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".
- Interference by strikers or other persons affecting:
 - Construction or repair of the Covered Property; or
 - b. Operation or use of the applicable project described in the Declarations if the building or structure was operating or being used for its intended purpose at the time of loss or damage.
- Irregularities in production, shipment, or transportation of any property to be used in the construction or repair of the Covered Property.
- 4. Suspension, lapse, or cancellation of any lease, permit, license, contract or order.
- 5. Breach of contract, late or noncompliance with orders, or penalties of any nature.
- 6. Weather conditions.
- Deficiencies in the original designs, specifications, materials or construction.
- 8. Lack of funds or lack of work force.
- Any other consequential loss.

C. LIMITS OF INSURANCE

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations, Schedule(s), Coverage Form(s) or Endorsement(s). But in the

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event coverage for loss or damage is provided

as additional amounts of insurance, unless otherwise stated within the Additional Coverage. D. ADDITIONAL CONDITIONS

The following conditions apply in addition to the COMMERCIAL INLAND MARINE CONDITIONS, the COMMON POLICY CONDITIONS and the ADDITIONAL CONDITIONS of the CONSTRUC-TION PAK - BUILDERS' RISK COVERAGE FORM.

1. Appraisal

If we and you disagree on the amount of net income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

2. Loss Payment

The following loss payment provisions apply in addition to the loss payment provisions contained in the CONSTRUCTION PAK -BUILDERS' RISK COVERAGE FORM.

Business Income and Rental Value Loss Determination

- The actual loss of "business income" and "rental value" you sustain will be determined based on:
 - (1) The net income and fair rental value of the business before the direct physical loss or damage occurred;
 - (2) The likely net income and fair rental value of the business if no physical loss or damage had occurred, but not including any net income or fair rental value that would likely have been earned as a result of an increase in the volume of business due to favor-

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able business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses; and

- (3) As applicable, the operating or construction expenses, including payroll expenses, necessary to resume the operation or use of Covered Property or construction of Covered Property with the same quality of service or construction that existed just before the direct physical loss or damage.
- b. In addition to Paragraph a. above, the amount of loss will also be determined based on other relevant sources of information, including:
 - (1) Your financial records and accounting procedures;
 - (2) Bills, invoices and other vouchers;
 - (3) Deeds, liens or contracts; and
 - (4) Any amounts by which the amount of loss is reduced due to your failure to perform the duties in the event of loss outlined in this policy.

E. DEFINITIONS

1. "Business income" means the sum of:

- a. The net profit or loss (before income taxes) from the operation or use of the applicable project for its intended purpose; and
- b. The continuing normal operating expenses, including payroll, of the operation or use of the applicable project for its intended purpose;

less your "rental value".

- "Post-loss period of repair or construction" means the period of time after direct physical loss of or damage to Covered Property by a Covered Cause of Loss that:
 - With respect to Covered Property not operating or in use for its intended purpose at the time of such loss or damage:
 - (1) Begins with the "planned completion date" or after any applicable Waiting Period shown in the Declarations from the "planned completion date", whichever is later; and
 - (2) Ends on the date when Covered Property should be completed using reasonable speed and similar quality.

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- b. With respect to Covered Property operating or in use for its intended purpose at the time of such loss or damage:
 - (1) Begins immediately or after any applicable Waiting Period shown in the Declarations whichever is later; and
 - (2) Ends on the earlier of:
 - (a) The date when such property should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (b) The date when business is resumed at a new permanent job site.
- c. "Post-loss period of repair or construction" does not include any increased period required to attain any level of "green" certification.
- d. The expiration date of this policy will not cut short the "post-loss period of repair or construction".

- 3. "Rental value" means the sum of:
 - The total rental income from the tenant occupancy of the applicable completed project, as furnished and equipped by you;
 - The amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be your obligations; and
 - c. The fair rental value of any portion of the applicable completed project which would have been occupied by you.
- 4. "Soft costs" means your actual and necessary business costs in excess of your budgeted amount for the applicable project consisting only of the type shown in the Declarations.

The "Soft Costs" Definition in Section F – DEFINITIONS of the CONSTRUCTION PAK – BUILDERS' RISK COVERAGE FORM does not apply to this Coverage Form.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONSTRUCTION PAK – BUILDERS' RISK AMENDATORY ENDORSEMENT

FLOOD CAUSE OF LOSS

This endorsement modifies insurance provided under the following:

CONSTRUCTION PAK - BUILDERS' RISK COVERAGE FORM CONSTRUCTION PAK - BUILDERS' RISK SPECIAL TIME ELEMENT COVERAGE FORM

A. APPLICATION OF THIS ENDORSEMENT

This endorsement applies at the job site for which a Flood Limit of Insurance is shown in the Declarations.

This endorsement also applies to:

- a. Temporary storage locations if property at such a location is destined to become a part of the project at the job site to which this endorsement applies;
- b. The Civil Authority Additional Coverage in the CONSTRUCTION PAK - BUILDERS' RISK SPECIAL TIME ELEMENT COV-ERAGE FORM, but only with respect to the job site to which this endorsement applies: and
- c. Any Ingress or Egress Additional Coverage as otherwise provided by the CON-STRUCTION PAK - BUILDERS' RISK SPECIAL TIME ELEMENT COVERAGE FORM, but only with respect to the job site to which this endorsement applies.
- 2. This endorsement does not apply to, or modify, any limits or deductibles that apply to:
 - a. The insurance otherwise provided under this Coverage Form for loss or damage bv:
 - (1) Fire, explosion or sprinkler leakage that results from flood; or
 - (2) Water or sewage from drains within a building if the backup or overflow is not otherwise directly or indirectly caused by Water that is excluded in provisions (a), (b), (d) or (e) of the Water exclusion in Section B - EX-CLUSIONS, Part 1, Paragraph g. of the CONSTRUCTION PAK - BUILD-ERS' RISK COVERAGE FORM;
 - b. Any other insurance provided under this Coverage Form for loss or damage to which the Water exclusion in Section B -

EXCLUSIONS, Part 1, Paragraph g. of the CONSTRUCTION PAK - BUILDERS' RISK COVERAGE FORM does not apply.

B. COVERED CAUSES OF LOSS

"Flood" is added to the Covered Causes of Loss and to the "specified causes of loss".

All "flood" loss that occurs:

- 1. During a continuous or protracted event, such as a period of continued rising or overflow of any river(s), stream(s) or any body(ies) of water and the subsidence of same within the banks of such river(s), stream(s) or body(ies) of water; or
- 2. Due to any tidal wave or series of tidal waves that occur within any 168 hour period;

will constitute a single "flood" occurrence. If "flood" loss commences prior to the expiration date of this policy and the "flood" occurrence extends beyond the expiration date of this policy, the expiration date of this policy will not reduce the "flood" occurrence period.

C. FLOOD DEFINED

The following is added to Section F - DEFINI-TIONS of the CONSTRUCTION PAK - BUILD-ERS' RISK COVERAGE FORM:

"Flood" means the following, all whether naturally occurring or due to man-made or other artificial causes, and includes waterborne material carried or otherwise moved by any of the water referred to in Paragraphs 1., 3. and 4. below and material carried or otherwise moved by mudslide or mudflow:

- 1. Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether driven by wind (including storm surge) or not;
- 2. Mudslide or mudflow;
- 3. Water or sewage that backs up, overflows or is otherwise discharged from a sewer, drain,

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sump, sump pump or related equipment (other than the backup or overflow of water or sewage from drains within a building to which the exception in provision (c) of the Water exclusion in Section B – EXCLUSIONS, Part 1, Paragraph g. of the CONSTRUCTION PAK – BUILDERS' RISK COVERAGE FORM applies); and

- 4. Water under the ground surface pressing on, or flowing or seeping through:
 - a. Foundations, walls, floors or paved surfaces:
 - b. Basements, whether paved or not; or
 - c. Doors, windows or other openings.

D. EXCLUSIONS AND RELATED PROVISIONS

- Under the Exclusions contained in Section B
 – EXCLUSIONS, Part 1. of the CONSTRUCTION PAK BUILDERS' RISK COVERAGE FORM:
 - a. Exclusion a., Earth Movement, does not apply to the coverage otherwise provided under this endorsement for loss or damage caused by or resulting from:
 - (1) Mudslide or mudflow that is caused by or precipitated by the accumulation or runoff of water on or below the surface of the ground; or
 - (2) "Flood" that is attributable to an Earth Movement, such as tsunami, but this exception does not apply to loss or damage caused by or resulting from any excluded Earth Movement that results from such "flood".
 - Exclusion g., Water, does not apply to the coverage provided under this endorsement.

The remaining Exclusions and the Limitations that apply to the CONSTRUCTION PAK – BUILDERS' RISK COVERAGE FORM apply to the coverage provided under this endorsement.

2. The following additional exclusion applies to the coverage provided under this endorsement:

We will not pay for loss or damage caused by or resulting from any "flood" occurrence that begins before the inception of this insurance.

E. LIMITS OF INSURANCE

 The following Limits of Insurance apply to the job site for which a Flood Limit of Insurance is shown in the Declarations:

a. Flood Occurrence Limit

The applicable Flood Occurrence Limit of Insurance shown in the Declarations applies in any one occurrence, regardless of the number or types of coverages (including "business income", "rental value", "soft costs" or any other time element coverage). Amounts payable under any Additional Coverage or Coverage Extension do not increase the applicable Flood Occurrence Limit of Insurance. The applicable Occurrence Limit is part of, and does not increase, the Limit of Insurance that otherwise applies under this Coverage Form.

b. Flood Annual Aggregate Limit

The applicable Flood Annual Aggregate Limit shown in the Declarations is the most we will pay for all covered flood occurrences in any one policy year at the job site shown in the Declarations.

Each policy year:

- Begins with the inception date or anniversary date of this policy; and
- (2) Ends at the next anniversary date or the expiration date of this policy.
- 2. The most we will pay for loss or damage caused by flood is the lesser of:
 - The Flood Occurrence Limit of Insurance at the applicable job site shown in the Declarations; or
 - b. The remaining portion of any Flood Annual Aggregate Limit of Insurance at the applicable job site shown in the Declarations.

F. DEDUCTIBLE

The following Deductible provisions apply to the insurance provided by this endorsement.

The Deductible(s) applicable to loss or damage under this endorsement apply separately to each occurrence at each job site shown in the Declarations and apply in addition to any other Deductibles or Waiting Periods in this Coverage Part that apply to loss or damage in the same occurrence.

2. Percentage Deductible

When a percentage (%) is shown in the Declarations as the applicable Flood Deductible, we will calculate the dollar amount of the Deductible by multiplying the applicable percentage shown in the Declarations by the to-

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tal value of Covered Property at the job site at the time of loss or damage. We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds such calculated dollar amount. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

In no event will the applicable Deductible be less than any applicable minimum, or more than any applicable maximum, amount shown in the Declarations.

3. Dollar Deductible

When a dollar amount is shown in the Declarations, we will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Flood Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

 The Flood Deductible does not apply to property in temporary storage awaiting delivery to the job site.



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONSTRUCTION PAK – BUILDERS' RISK AMENDATORY ENDORSEMENT

EARTHQUAKE CAUSE OF LOSS

This endorsement modifies insurance provided under the following:

CONSTRUCTION PAK – BUILDERS' RISK COVERAGE FORM
CONSTRUCTION PAK – BUILDERS' RISK SPECIAL TIME ELEMENT COVERAGE FORM

A. APPLICATION OF THIS ENDORSEMENT

 This endorsement applies at the job site for which an Earthquake Limit of Insurance is shown in the Declarations.

This endorsement also applies to:

- Temporary storage locations if property at such a location is destined to become a part of the project at the job site to which this endorsement applies;
- b. The Civil Authority Additional Coverage in the CONSTRUCTION PAK – BUILDERS' RISK SPECIAL TIME ELEMENT COV-ERAGE FORM, but only with respect to the job site to which this endorsement applies; and
- c. Any Ingress or Egress Additional Coverage as otherwise provided by the CONSTRUCTION PAK BUILDERS' RISK SPECIAL TIME ELEMENT COVERAGE FORM, but only with respect to the job site to which this endorsement applies.
- 2. This endorsement does not apply to, or modify, any limits or deductibles that apply to:
 - The insurance otherwise provided under this Coverage Form for loss or damage by:
 - (1) Fire or explosion that results from earth movement other than volcanic eruption, explosion or effusion; or
 - (2) Fire, building glass breakage or volcanic action that results from volcanic eruption, explosion or effusion; or
 - b. Any other insurance provided under this Coverage Form for loss or damage to which the Earth Movement in Section B – EXCLUSIONS, Part 1. Paragraph a. of the CONSTRUCTION PAK – BUILDERS' RISK COVERAGE FORM exclusion does not apply.

B. COVERED CAUSES OF LOSS

The following are added to the Covered Causes of Loss and to the "specified causes of loss":

- Earthquake meaning a shaking or trembling of the earth's crust, caused by underground volcanic or tectonic forces or by breaking or shifting of rock beneath the surface of the ground from natural causes.
- 2. Volcanic Eruption, meaning the eruption, explosion or effusion of a volcano.

All earthquake shocks or volcanic eruptions that occur within any 168-hour period will constitute a single Earthquake or Volcanic Eruption. The expiration of this policy will not reduce the 168-hour period.

C. EXCLUSIONS AND RELATED PROVISIONS

- The Earth Movement exclusion contained in Section B – EXCLUSIONS, Part 1. Paragraph a. of the CONSTRUCTION PAK – BUILD-ERS' RISK COVERAGE FORM does not apply to the coverage provided under this endorsement. The remaining Exclusions that apply to this Coverage Part apply to the coverage provided under this endorsement. For example, loss caused directly or indirectly by a cause of loss excluded under the Water Exclusion, such as flood or tidal wave, is excluded even if the flood or tidal wave is attributable to an Earthquake or Volcanic Eruption.
- 2. The following additional exclusion applies to the coverage provided under this endorsement:
 - We will not pay for loss or damage caused by or resulting from any earthquake or volcanic eruption that begins before the inception of this insurance.

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D. LIMITS OF INSURANCE

 The following Limits of Insurance apply to the job site for which an Earthquake Limit of Insurance is shown in the Declarations:

a. Earthquake Occurrence Limit

The applicable Earthquake Occurrence Limit of Insurance shown in the Declarations applies in any one occurrence, regardless of the number or types of coverages (including "business income", "rental value", "soft costs" or any other time element coverage). Amounts payable under any Additional Coverage or Coverage Extension do not increase the applicable Earthquake Occurrence Limit of Insurance. The applicable Occurrence Limit is part of, and does not increase, the Limit of Insurance that otherwise applies under this Coverage Form.

b. Earthquake Annual Aggregate Limit

The applicable Earthquake Annual Aggregate Limit shown in the Declarations is the most we will pay for all covered earthquake or volcanic eruption occurrences in any one policy year at the job site shown in the Declarations.

Each policy year:

- (1) Begins with the inception date or anniversary date of this policy, and
- (2) Ends at the next anniversary date or the expiration date of this policy.
- The most we will pay for loss or damage caused by any earthquake or volcanic eruption is the lesser of:
 - The Earthquake Occurrence Limit of Insurance at the applicable job site shown in the Declarations; or
 - b. The remaining portion of any Earthquake Annual Aggregate Limit of Insurance at the applicable job site shown in the Declarations.

F. DEDUCTIBLE

The following Deductible provisions apply to the insurance provided by this endorsement.

The Deductible(s) applicable to loss or damage under this endorsement apply separately to each occurrence at each job site shown in the Declarations and apply in addition to any other Deductibles or Waiting Periods in this Coverage Part that apply to loss or damage in the same occurrence.

2. Percentage Deductible

When a percentage (%) is shown in the Declarations as the applicable Earthquake Deductible, we will calculate the dollar amount of the Deductible by multiplying the applicable percentage shown in the Declarations by the total value of Covered Property at the job site at the time of loss or damage. We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds such calculated dollar amount. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

In no event will the applicable Deductible be less than any applicable minimum, or more than any applicable maximum, amount shown in the Declarations.

3. Dollar Deductible

When a dollar amount is shown in the Declarations, we will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Earthquake Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

 The Earthquake Deductible does not apply to property in temporary storage awaiting delivery to the job site. Case: 4:22-cv-00849-RWS Doc. #: 1-1 Filed: 08/16/22 Page: 44 of 60 PageID #:

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MISSOURI CHANGES – ADDITIONAL COVERAGES REPORTING EXPENSES

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

PROVISIONS

When a Commercial Inland Marine Coverage Form attached to this policy provides an Additional Coverage for Debris Removal or Pollutant Clean Up And Removal, the following is added with respect to such Additional Coverage and relates only to the require-

ment to report expenses to us within 180 days of the specified occurrence:

If you fail to report the expenses to us within the 180 day timeframe, such failure will not invalidate a claim under this Additional Coverage unless such failure operates to prejudice our rights.

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COMMERCIAL INLAND MARINE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA") establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). "Act Of Terrorism" is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury - in consultation with the Secretary of Homeland Security and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is established by TRIA and is a percentage of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA). Through 2020, that percentage is established by TRIA as follows:

85% with respect to such Insured Losses occurring in calendar year 2015.

84% with respect to such Insured Losses occurring in calendar year 2016.

83% with respect to such Insured Losses occurring in calendar year 2017.

82% with respect to such Insured Losses occurring in calendar year 2018.

81% with respect to such Insured Losses occurring in calendar year 2019.

80% with respect to such Insured Losses occurring in calendar year 2020.

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

The charge for such Insured Losses under this Coverage Part is included in the Coverage Part premium. The charge for such Insured Losses that has been included for this Coverage Part is indicated below, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA:

1% of your total Commercial Inland Marine Coverage Part premium.

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POLICY NUMBER: QT-660-4860N195-TIL-15

COMMERCIAL INLAND MARINE ISSUE DATE: 07-06-15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONSTRUCTION PAK – BUILDERS' RISK AMENDATORY ENDORSEMENT

PROTECTIVE SAFEGUARDS

This endorsement modifies insurance provided under the following:

CONSTRUCTION PAK - BUILDERS' RISK COVERAGE FORM

A. Schedule of Protective Safeguards and Causes of Loss

1.	Type of Protective Safeguard	Applicable Causes of Loss
	a. Perimeter Fencing	Theft, Vandalism
	b. Private Security Guard Service	Fire, "Release of Water, Steam or Fluid", Theft, Vandalism
	c.	"Release of Water, Steam or Fluid", Vandalism
	d. X Centrally Monitored Electronic Intruder Alert System	Fire, Theft, Vandalism
	e. 🗌	
	f. 🗆	
2.	Each protective safeguard indicated by an 'X' above applies separately to each Project shown in the De larations except:	

B. The following Exclusion is added to Section B – EXCLUSIONS:

We will not pay for loss or damage caused by or resulting from the Applicable Cause of Loss shown in the Schedule above if, prior to the loss, you:

- a. Knew of any suspension or impairment in the applicable Protective Safeguard in the Schedule above and failed to notify us of that fact; or
- **b.** Failed to maintain the applicable Protective Safeguard in the Schedule above, and over which you had control, in complete working order.
- **C.** The following Definition is added to Section F DEFINITIONS:

"Release of water, steam or fluid" means any discharge or leakage of water, steam or any other fluid from any device or any part of a system or appliance.

D. The following Additional Condition is added to Section E – ADDITIONAL CONDITIONS:

Protective Safeguards

Unless otherwise stated in Paragraph A.2. above, you must maintain the applicable Protective Safeguards in the Schedule above at the applicable job site described in the Declarations.

The types of protective safeguards which apply are identified as follows:

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- Perimeter Fencing, which completely surrounds the job site with gates closed and locked during all nonworking hours.
- b. Private Security Guard Service, which regularly patrols the job site during all non-working hours.
- c. Water Flow Alarm, which signals the "release of water, steam or fluid" and notifies a predetermined contact when the alarm is triggered.
- d. Centrally Monitored Electronic Intruder Alert System, which signals unapproved access to the project site and notifies a predetermined contact when the alarm is triggered.

e.

f.



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MISSOURI CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

A. If partial loss or damage to Covered Property is caused by or results from fire, any Valuation condition involving actual cash value in the Commercial Inland Marine Coverage Part is replaced by the following:

In the event of partial loss or damage covered by this Coverage Form, at your option, we will either:

- Pay you an amount of money equal to the damage done; or
- 2. Repair the damage, so that the property is in as good a condition as before the fire.

But we will not pay more than the Limit of Insurance.

B. Loss Condition B. Appraisal in the Commercial Inland Marine Conditions is replaced by the following:

B. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, then, upon your or our request, an umpire shall be selected by a judge of a court of record in the state and county (or city if the city is not within a county) in which the property covered is located. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. The umpire shall make an award within 30 days after the umpire receives the appraisers' submissions of their differences. A decision agreed to by any two will be binding. Each party will:

- 1. Pay its chosen appraiser; and
- 2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

- C. Paragraph 1. of Loss Condition E. Loss Payment in the Commercial Inland Marine Conditions is replaced by the following:
 - In the event of loss or damage covered under this Coverage Part, we will give you notice, within 15 working days after we receive a properly executed proof of loss, that we:
 - a. Accept your claim;
 - b. Deny your claim; or
 - c. Need more time to determine whether your claim should be accepted or denied.

If we deny your claim, such notice will be in writing, and will state any policy provision, condition or exclusion used as a basis for the denial.

If we need more time to determine whether your claim should be accepted or denied, the written notice will state the reason(s) why more time is needed.

If we have not completed our investigation, we will notify you again in writing, within 45 days after the date the initial notice is sent as provided in Paragraph c. above, and thereafter every 45 days. The written notice shall state why more time is needed to investigate your claim.

D. General Condition C. Legal Action Against Us in the Commercial Inland Marine Conditions is replaced by the following:

C. Legal Action Against Us

No one may bring a legal action against us under this Coverage Part unless:

- There has been full compliance with all the terms of this Coverage Part; and
- The action is brought within 10 years after you first have knowledge of the direct loss or damage.

E. Missouri Property And Casualty Insurance Guaranty Association Coverage Limitations

- Subject to the provisions of the Missouri Property and Casualty Insurance Guaranty Association Act (to be referred to as the Act), if we are a member of the Missouri Property and Casualty Insurance Guaranty Association (to be referred to as the Association), the Association will pay claims covered under the Act if we become insolvent.
- 2. The Act contains various exclusions, conditions and limitations that govern a claimant's eligibility to collect payment from the Association and affect the amount of any payment. The following limitations apply, subject to all other provisions of the Act:
 - a. Claims covered by the Association do not include a claim by or against an insured of an insolvent insurer, if the insured has a net worth of more than \$25 million on the later of the end of the insured's most recent fiscal year or the December thirty-first of the year next preceding the date the insurer becomes insolvent, provided that an insured's net worth on such date shall be deemed to include the aggregate net worth of the insured and all of its affiliates as calculated on a consolidated basis.
 - b. Payments made by the Association for covered claims will include only that amount of each claim which is less than \$300,000.

However, the Association will not:

- (1) Pay an amount in excess of the applicable Limit of Insurance of the policy from which a claim arises; or
- (2) Return to an insured any unearned premium in excess of \$25,000.

These limitations have no effect on the coverage we will provide under this policy.

- F. The following exclusion is added:
 - 1. We will not pay for loss or damage arising out of any act committed:
 - a. By or at the direction of any insured; and
 - b. With the intent to cause a loss.
 - 2. However, this exclusion will not apply to deny coverage to an innocent co-insured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this policy and the loss arose out of domestic violence. Such coverage will

be provided only if the innocent co-insured files a police report and completes a sworn affidavit indicating both:

- a. The cause of the loss; and
- b. A pledge to cooperate in any criminal prosecution of the person committing the act causing the loss.
- 3. If we pay a claim pursuant to Paragraph F.2., our payment to the innocent co-insured will be limited to that insured's ownership interest in the property as reduced by any payment to a mortgagee or other secured interest; however, we shall not be required to make any subsequent payment for any loss for which the innocent co-insured has received payment. In no event will we pay more than the Limit of Insurance.
- G. The following is added to Loss Condition J. Transfer Of Rights Of Recovery Against Others To Us in the Commercial Inland Marine Conditions:

If we pay an innocent co-insured for loss arising out of an act of domestic violence by another insured, the rights of the innocent co-insured to recover damages from the abuser are transferred to us to the extent of our payment. Following the loss, the innocent co-insured may not waive such rights to recover against the abuser.

- H. When Equipment Dealers Coverage Form CM 00 22 is attached to this policy, the following is added with respect to the Additional Coverages of Debris Removal and Pollutant Cleanup And Removal and relates only to the requirement to report expenses to us within 180 days of the specified occurrence:
 - If you fail to report the expenses to us within the 180-day timeframe, such failure will not invalidate a claim under Debris Removal or Pollutant Cleanup And Removal unless such failure operates to prejudice our rights.
- I. When Accounts Receivable Coverage Form CM 00 66 or Valuable Papers And Records Coverage Form CM 00 67 is attached to this policy, the following is added with respect to the Coverage Extension of Removal and relates only to the requirement to provide written notice within 10 days of the removal of property covered under those Coverage Forms:

If you fail to provide written notice to us within the 10-day timeframe, such failure will not invalidate a claim under Removal unless such failure operates to prejudice our rights.



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INTERLINE ENDORSEMENTS



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INTERLINE ENDORSEMENTS

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART

COMMERCIAL EXCESS LIABILITY (UMBRELLA) INSURANCE

COMMERCIAL GENERAL LIABILITY COVERAGE PART

COMMERCIAL INLAND MARINE COVERAGE PART

COMMERCIAL PROPERTY COVERAGE PART

CYBERFIRST ESSENTIALS LIABILITY COVERAGE PART

CYBERFIRST LIABILITY COVERAGE

DELUXE PROPERTY COVERAGE PART

EMPLOYEE BENEFITS LIABILITY COVERAGE PART

EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART

EMPLOYMENT PRACTICES LIABILITY* WITH IDENTITY FRAUD EXPENSE REIMBURSEMENT COVERAGE PART

ENVIRONMENTAL HAZARD POLICY

EQUIPMENT BREAKDOWN COVERAGE PART

EXCESS (FOLLOWING FORM) LIABILITY INSURANCE

LAW ENFORCEMENT LIABILITY COVERAGE PART

LIMITED ABOVE GROUND POLLUTION LIABILITY COVERAGE PART

LIQUOR LIABILITY COVERAGE PART

MEDFIRST PRODUCTS/COMPLETED OPERATIONS, ERRORS AND OMISSIONS, AND

INFORMATION SECURITY LIABILITY COVERAGE FORM

OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART

PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

PUBLIC ENTITY MANAGEMENT LIABILITY COVERAGE PART

RAILROAD PROTECTIVE LIABILITY COVERAGE PART

SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY – NEW YORK DEPARTMENT OF TRANSPORTATION

TRIBAL BUSINESS MANAGEMENT LIABILITY COVERAGE PART

Any other Coverage Part or Coverage Form included in this policy that is subject to the federal Terrorism Risk Insurance Act of 2002 as amended

The following is added to this policy. This provision can limit coverage for any loss arising out of a "certified act of terrorism" if such loss is otherwise covered by this policy. This provision does not apply if and to the extent that coverage for the loss is excluded or limited by an exclusion or other coverage limitation for losses arising out of "certified acts of terrorism" in another endorsement to this policy.

If aggregate insured losses attributable to "certified acts of terrorism" exceed \$100 billion in a calendar year and we have met our insurer deductible under "TRIA", we will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case, insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of "TRIA", to be an act of terrorism pursuant to "TRIA". The criteria contained in "TRIA" for a "certified act of terrorism" include the following:

- The act resulted in insured losses in excess of \$5
 million in the aggregate, attributable to all types of
 insurance subject to "TRIA"; and
- The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

"TRIA" means the federal Terrorism Risk Insurance Act of 2002 as amended.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART COMMERCIAL INLAND MARINE COVERAGE PART FARM COVERAGE PART

- A. The exclusion set forth in Paragraph B. applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense, rental value or action of civil authority.
- B. We will not pay for loss or damage caused by or resulting from any virus, bacterium or other mi-
- croorganism that induces or is capable of inducing physical distress, illness or disease.
- C. With respect to any loss or damage subject to the exclusion in Paragraph B., such exclusion supersedes any exclusion relating to "pollutants".
- D. The terms of the exclusion in Paragraph B., or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MISSOURI CHANGES - DEFINITION OF POLLUTANTS

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART COMMERCIAL PROPERTY COVERAGE PART DELUXE PROPERTY COVERAGE PART FARM COVERAGE PART

PROVISIONS

The definition of "pollutants" in this Coverage Part or in any endorsement to this Coverage Part is deleted and replaced by the following:

- "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. "Pollutants" includes:
 - a. Petroleum or petroleum derivatives, gasoline, fuels, lubricants, and their respective additives and individual chemical components, including benzene and toluene;
 - b. Chlorinated and halogenated solvents, including tetrachloroethylene (PCE or PERC), trichloroethylene (TCE), trichloroethane (TCA) and vinyl chloride, and their degradation products;
 - c. Coal tar, manufactured gas plant (MGP) byproducts and polynuclear aromatic hydrocarbons (PAHs), phenols and polychlorinated biphenyls (PCBs); and
 - d. Organic and inorganic pesticides, and inorganic contaminants, including arsenic, barium, beryllium, lead cadmium, chromium and mercury.

- 2. This definition of "pollutants" applies regardless of whether:
 - a. The irritant or contaminant, or the particular form, type or source of the irritant or contaminant, involved in the loss or damage is specifically identified or described in this definition, such as waste from manufacturing operations;
 - b. The irritant or contaminant has or had any function in any of the insured's business, operations, premises, sites or locations, such as:
 - (i) PERC for a dry cleaning business; or
 - (ii) TCE or any of the other items included as examples of "pollutants" in 1.b. above for degreasing operations;
 - c. The irritant or contaminant represents a major source of potential loss or damage for the insured, such as gasoline, or any of the other items included as examples of "pollutants" in 1.a. above for a gasoline station; or
 - d. The insured expects or considers the irritant or contaminant to be a pollutant.

Waste includes materials to be recycled, reconditioned or reclaimed.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MISSOURI CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART

COMMERCIAL GENERAL LIABILITY COVERAGE PART

COMMERCIAL INLAND MARINE COVERAGE PART

COMMERCIAL PROPERTY COVERAGE PART

CRIME AND FIDELITY COVERAGE PART

EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART

EQUIPMENT BREAKDOWN COVERAGE PART

FARM COVERAGE PART

LIQUOR LIABILITY COVERAGE PART

MEDICAL PROFESSIONAL LIABILITY COVERAGE PART

POLLUTION LIABILITY COVERAGE PART

PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

- A. When this endorsement is attached to the Standard Property Policy CP 00 99, the term Commercial Property Coverage Part in this endorsement also refers to the Standard Property Policy.
- B. With respect to the:

Commercial General Liability Coverage Part

Commercial Property – Legal Liability Coverage Form CP 00 40

Commercial Property – Mortgageholders Errors And Omissions Coverage Form **CP 00 70**

Crime And Fidelity Coverage Part

Employment-Related Practices Liability Coverage Part

Equipment Breakdown Coverage Part

Farm Liability Coverage Form

Liquor Liability Coverage Part

Pollution Liability Coverage Part

Products/Completed Operations Liability Coverage Part

Medical Professional Liability Coverage Part;

the following **Cancellation** and **Nonrenewal** Provisions apply:

Paragraph 2. of the Cancellation Common Policy Condition is replaced by the following:

2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, stating the actual reason for cancellation, at least:

- a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium;
- b. 30 days before the effective date of cancellation if cancellation is for one or more of the following reasons:
 - (1) Fraud or material misrepresentation affecting this policy or a claim filed under this policy or a violation of any of the terms or conditions of this policy;
 - (2) Changes in conditions after the effective date of this policy which have materially increased the risk assumed;
 - (3) We become insolvent; or
 - (4) We involuntarily lose reinsurance for this policy;
- c. 60 days before the effective date of cancellation if we cancel for any other reason

Nonrenewal

The following is added and supersedes any provision to the contrary:

a. We may elect not to renew this policy by mailing or delivering to the first Named Insured, at the last mailing address known to us, written notice of nonrenewal, stating the actual reason for nonrenewal, at least 60 days prior to the effective date of the nonrenewal.

C. With respect to the:

Capital Assets Program (Output Policy) Coverage Part

Commercial Inland Marine Coverage Part
Commercial Property Coverage Part

Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions Coverage Form

Farm - Livestock Coverage Form

Farm – Mobile Agricultural Machinery And Equipment Coverage Form;

Paragraphs 1., 2., 3., 4. and 6. of the Cancellation Common Policy Condition are replaced by the following:

Cancellation, Nonrenewal And Decreases In Coverage

- The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- We may cancel, nonrenew, reduce in amount or adversely modify this policy by mailing or delivering to the first Named Insured written notice of this action at least:
 - a. 10 days before the effective date of this action if due to nonpayment of premium or evidence of incendiarism; or
 - **b.** 30 days before the effective date of this action if for any other reason.
- We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
- 4. Notice of:
 - Cancellation will state the effective date of cancellation. The policy period will end on that date.
 - b. Any other action will state the effective date of that action.
- If notice is mailed, proof of mailing will be sufficient proof of notice.

- D. With respect to all Coverage Parts addressed in this endorsement, Paragraph 5. of the Cancellation Common Policy Condition is replaced by the following:
 - 5. If this policy is cancelled, we will send the first Named Insured any premium refund due. The cancellation will be effective even if we have not made or offered a refund. The following provisions govern calculation of return premium:
 - a. We will compute return premium pro rata and round to the next higher whole dollar when this policy is:
 - (1) Cancelled by us or at our request;
 - (2) Cancelled because you no longer have a financial or insurable interest in the property or business operation that is the subject of this insurance;
 - (3) Cancelled but rewritten with us or in our company group; or
 - (4) Cancelled after the first year, if it is a prepaid policy written for a term of more than one year.
 - b. When this policy is cancelled at the request of the first Named Insured (except when Paragraph a.(2), a.(3) or a.(4) applies), we will return 90% of the pro rata unearned premium (or 75% of the pro rata unearned premium for the Equipment Breakdown Coverage Part), rounded to the next higher whole dollar. However, when such cancellation takes place during the first year of a multiyear prepaid policy, we will return the full annual premium for the subsequent years.

The refund will be less than 90% of the pro rata unearned premium (or less than 75% of the pro rata unearned premium for the Equipment Breakdown Coverage Part) if the refund of such amount would reduce the premium retained by us to an amount less than the minimum premium for this policy.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES DUE TO DATES OR TIMES

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART COMMERCIAL CRIME COVERAGE PART COMMERCIAL INLAND MARINE COVERAGE PART COMMERCIAL PROPERTY COVERAGE PART

- A. We will not pay for loss ("loss") or damage caused directly or indirectly by any of the following. Such loss ("loss") or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss ("loss") or damage.
 - 1. The failure, malfunction or inadequacy of:
 - a. Any of the following, whether belonging to any insured or to others:
 - Computer hardware, including microprocessors;
 - (2) Computer application software;
 - (3) Computer operating systems and related software;
 - (4) Computer networks;
 - (5) Microprocessors (computer chips) not part of any computer system; or
 - (6) Any other computerized or electronic equipment or components; or
 - b. Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph A.1.a. of this endorsement;

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.

2. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair,

replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph A.1. of this endorsement.

- B. If an excluded Cause of Loss as described in Paragraph A. of this endorsement results:
 - In a Covered Cause of Loss under the Boiler and Machinery Coverage Part, the Commercial Crime Coverage Part or the Commercial Inland Marine Coverage Part; or
 - 2. Under the Commercial Property Coverage Part:
 - a. In a "Specified Cause of Loss", in elevator collision resulting from mechanical breakdown, or from theft (if insured) under the Causes of Loss – Special Form; or
 - In a Covered Cause of Loss under the Causes of Loss – Basic Form or the Causes of Loss – Broad Form;

we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss", elevator collision, theft, or a Covered Cause of Loss.

C. We will not pay for repair, replacement or modification of any items in Paragraphs A.1.a. and A.1.b. of this endorsement to correct any deficiencies or change any features. Case: 4:22-cv-00849-RWS Doc. #: 1-1 Filed: 08/16/22 Page: 58 of 60 PageID #: 71

POLICYHOLDER NOTICES



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POLICYHOLDER NOTICES

IMPORTANT NOTICE - INDEPENDENT AGENT AND BROKER COMPENSATION

NO COVERAGE IS PROVIDED BY THIS NOTICE. THIS NOTICE DOES NOT AMEND ANY PROVISION OF YOUR POLICY. YOU SHOULD REVIEW YOUR ENTIRE POLICY CAREFULLY FOR COMPLETE INFORMATION ON THE COVERAGES PROVIDED AND TO DETERMINE YOUR RIGHTS AND DUTIES UNDER YOUR POLICY. PLEASE CONTACT YOUR AGENT OR BROKER IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE OR ITS CONTENTS. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY PREVAIL.

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